

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 12 and 13 as follows:

6 (230 ILCS 10/12) (from Ch. 120, par. 2412)

7 Sec. 12. Admission tax; fees.

8 (a) A tax is hereby imposed upon admissions to riverboats
9 operated by licensed owners authorized pursuant to this Act.
10 Until July 1, 2002, the rate is \$2 per person admitted. From
11 July 1, 2002 ~~and~~ until July 1, 2003, the rate is \$3 per person
12 admitted. From Beginning July 1, 2003 until the effective date
13 of this amendatory Act of the 94th General Assembly, for a
14 licensee that admitted 1,000,000 persons or fewer in the
15 previous calendar year, the rate is \$3 per person admitted; for
16 a licensee that admitted more than 1,000,000 but no more than
17 2,300,000 persons in the previous calendar year, the rate is \$4
18 per person admitted; and for a licensee that admitted more than
19 2,300,000 persons in the previous calendar year, the rate is \$5
20 per person admitted. Beginning on the effective date of this
21 amendatory Act of the 94th General Assembly, for a licensee
22 that admitted 1,000,000 persons or fewer in calendar year 2004,
23 the rate is \$2 per person admitted, and for all other licensees
24 the rate is \$3 per person admitted. ~~Beginning July 1, 2003, for~~
25 ~~a licensee that admitted 2,300,000 persons or fewer in the~~
26 ~~previous calendar year, the rate is \$4 per person admitted and~~
27 ~~for a licensee that admitted more than 2,300,000 persons in the~~
28 ~~previous calendar year, the rate is \$5 per person admitted.~~
29 This admission tax is imposed upon the licensed owner
30 conducting gambling.

31 (1) The admission tax shall be paid for each admission.

32 (2) (Blank).

1 (3) The riverboat licensee may issue tax-free passes to
2 actual and necessary officials and employees of the
3 licensee or other persons actually working on the
4 riverboat.

5 (4) The number and issuance of tax-free passes is
6 subject to the rules of the Board, and a list of all
7 persons to whom the tax-free passes are issued shall be
8 filed with the Board.

9 (a-5) A fee is hereby imposed upon admissions operated by
10 licensed managers on behalf of the State pursuant to Section
11 7.3 at the rates provided in this subsection (a-5). For a
12 licensee that admitted 1,000,000 persons or fewer in the
13 previous calendar year, the rate is \$3 per person admitted; for
14 a licensee that admitted more than 1,000,000 but no more than
15 2,300,000 persons in the previous calendar year, the rate is \$4
16 per person admitted; and for a licensee that admitted more than
17 2,300,000 persons in the previous calendar year, the rate is \$5
18 per person admitted.

19 (1) The admission fee shall be paid for each admission.

20 (2) (Blank).

21 (3) The licensed manager may issue fee-free passes to
22 actual and necessary officials and employees of the manager
23 or other persons actually working on the riverboat.

24 (4) The number and issuance of fee-free passes is
25 subject to the rules of the Board, and a list of all
26 persons to whom the fee-free passes are issued shall be
27 filed with the Board.

28 (b) From the tax imposed under subsection (a) and the fee
29 imposed under subsection (a-5), a municipality shall receive
30 from the State \$1 for each person embarking on a riverboat
31 docked within the municipality, and a county shall receive \$1
32 for each person embarking on a riverboat docked within the
33 county but outside the boundaries of any municipality. The
34 municipality's or county's share shall be collected by the
35 Board on behalf of the State and remitted quarterly by the
36 State, subject to appropriation, to the treasurer of the unit

1 of local government for deposit in the general fund.

2 (c) The licensed owner shall pay the entire admission tax
3 to the Board and the licensed manager shall pay the entire
4 admission fee to the Board. Such payments shall be made daily.
5 Accompanying each payment shall be a return on forms provided
6 by the Board which shall include other information regarding
7 admissions as the Board may require. Failure to submit either
8 the payment or the return within the specified time may result
9 in suspension or revocation of the owners or managers license.

10 (d) The Board shall administer and collect the admission
11 tax imposed by this Section, to the extent practicable, in a
12 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
13 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
14 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
15 Penalty and Interest Act.

16 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
17 eff. 6-20-03; revised 8-1-03.)

18 (230 ILCS 10/13) (from Ch. 120, par. 2413)

19 Sec. 13. Wagering tax; rate; distribution.

20 (a) Until January 1, 1998, a tax is imposed on the adjusted
21 gross receipts received from gambling games authorized under
22 this Act at the rate of 20%.

23 (a-1) From January 1, 1998 until July 1, 2002, a privilege
24 tax is imposed on persons engaged in the business of conducting
25 riverboat gambling operations, based on the adjusted gross
26 receipts received by a licensed owner from gambling games
27 authorized under this Act at the following rates:

28 15% of annual adjusted gross receipts up to and
29 including \$25,000,000;

30 20% of annual adjusted gross receipts in excess of
31 \$25,000,000 but not exceeding \$50,000,000;

32 25% of annual adjusted gross receipts in excess of
33 \$50,000,000 but not exceeding \$75,000,000;

34 30% of annual adjusted gross receipts in excess of
35 \$75,000,000 but not exceeding \$100,000,000;

1 35% of annual adjusted gross receipts in excess of
2 \$100,000,000.

3 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
4 is imposed on persons engaged in the business of conducting
5 riverboat gambling operations, other than licensed managers
6 conducting riverboat gambling operations on behalf of the
7 State, based on the adjusted gross receipts received by a
8 licensed owner from gambling games authorized under this Act at
9 the following rates:

10 15% of annual adjusted gross receipts up to and
11 including \$25,000,000;

12 22.5% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$50,000,000;

14 27.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 32.5% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 37.5% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$150,000,000;

20 45% of annual adjusted gross receipts in excess of
21 \$150,000,000 but not exceeding \$200,000,000;

22 50% of annual adjusted gross receipts in excess of
23 \$200,000,000.

24 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
25 persons engaged in the business of conducting riverboat
26 gambling operations, other than licensed managers conducting
27 riverboat gambling operations on behalf of the State, based on
28 the adjusted gross receipts received by a licensed owner from
29 gambling games authorized under this Act at the following
30 rates:

31 15% of annual adjusted gross receipts up to and
32 including \$25,000,000;

33 27.5% of annual adjusted gross receipts in excess of
34 \$25,000,000 but not exceeding \$37,500,000;

35 32.5% of annual adjusted gross receipts in excess of
36 \$37,500,000 but not exceeding \$50,000,000;

1 37.5% of annual adjusted gross receipts in excess of
2 \$50,000,000 but not exceeding \$75,000,000;

3 45% of annual adjusted gross receipts in excess of
4 \$75,000,000 but not exceeding \$100,000,000;

5 50% of annual adjusted gross receipts in excess of
6 \$100,000,000 but not exceeding \$250,000,000;

7 70% of annual adjusted gross receipts in excess of
8 \$250,000,000.

9 An amount equal to the amount of wagering taxes collected
10 under this subsection (a-3) that are in addition to the amount
11 of wagering taxes that would have been collected if the
12 wagering tax rates under subsection (a-2) were in effect shall
13 be paid into the Common School Fund.

14 The privilege tax imposed under this subsection (a-3) shall
15 no longer be imposed beginning on the earlier of (i) July 1,
16 2005; (ii) the first date after June 20, 2003 ~~the effective~~
17 ~~date of this amendatory Act of the 93rd General Assembly~~ that
18 riverboat gambling operations are conducted pursuant to a
19 dormant license; or (iii) the first day that riverboat gambling
20 operations are conducted under the authority of an owners
21 license that is in addition to the 10 owners licenses initially
22 authorized under this Act. For the purposes of this subsection
23 (a-3), the term "dormant license" means an owners license that
24 is authorized by this Act under which no riverboat gambling
25 operations are being conducted on June 20, 2003 ~~the effective~~
26 ~~date of this amendatory Act of the 93rd General Assembly~~.

27 (a-4) Beginning on the first day on which the tax imposed
28 under subsection (a-3) is no longer imposed, a privilege tax is
29 imposed on persons engaged in the business of conducting
30 riverboat gambling operations, other than licensed managers
31 conducting riverboat gambling operations on behalf of the
32 State, based on the adjusted gross receipts received by a
33 licensed owner from gambling games authorized under this Act at
34 the following rates:

35 15% of annual adjusted gross receipts up to and
36 including \$25,000,000;

1 22.5% of annual adjusted gross receipts in excess of
2 \$25,000,000 but not exceeding \$50,000,000;

3 27.5% of annual adjusted gross receipts in excess of
4 \$50,000,000 but not exceeding \$75,000,000;

5 32.5% of annual adjusted gross receipts in excess of
6 \$75,000,000 but not exceeding \$100,000,000;

7 37.5% of annual adjusted gross receipts in excess of
8 \$100,000,000 but not exceeding \$150,000,000;

9 45% of annual adjusted gross receipts in excess of
10 \$150,000,000 but not exceeding \$200,000,000;

11 50% of annual adjusted gross receipts in excess of
12 \$200,000,000.

13 (a-8) Riverboat gambling operations conducted by a
14 licensed manager on behalf of the State are not subject to the
15 tax imposed under this Section.

16 (a-10) The taxes imposed by this Section shall be paid by
17 the licensed owner to the Board not later than 3:00 o'clock
18 p.m. of the day after the day when the wagers were made.

19 (a-15) If the privilege tax imposed under subsection (a-3)
20 is no longer imposed pursuant to item (i) of the last paragraph
21 of subsection (a-3), then by June 15 of each year, each owners
22 licensee, other than an owners licensee that admitted 1,000,000
23 persons or fewer in calendar year 2004, must, in addition to
24 the payment of all amounts otherwise due under this Section,
25 pay to the Board the amount, if any, by which the base amount
26 for the licensed owner exceeds the amount of tax paid under
27 this Section by the licensed owner in the then current State
28 fiscal year. The obligation imposed by this subsection (a-15)
29 is binding on any person, firm, corporation, or other entity
30 that acquires an ownership interest in any such owners license.
31 The obligation imposed under this subsection (a-15) terminates
32 on the earliest of: (i) July 1, 2007, (ii) the first day after
33 the effective date of this amendatory Act of the 94th General
34 Assembly that riverboat gambling operations are conducted
35 pursuant to a dormant license, (iii) the first day that
36 riverboat gambling operations are conducted under the

1 authority of an owners license that is in addition to the 10
2 owners licenses initially authorized under this Act, or (iv)
3 the first day that a licensee under the Illinois Horse Racing
4 Act of 1975 conducts gaming operations with slot machines or
5 other electronic gaming devices. The Board must reduce the
6 obligation imposed under this subsection (a-15) by an amount
7 the Board deems reasonable for any of the following reasons:
8 (A) an act or acts of God, (B) an act of bioterrorism or
9 terrorism or a bioterrorism or terrorism threat that was
10 investigated by a law enforcement agency, or (C) a condition
11 beyond the control of the owners licensee that does not result
12 from any act or omission by the owners licensee or any of its
13 agents and that poses a hazardous threat to the health and
14 safety of patrons. If an owners licensee pays an amount in
15 excess of its liability under this Section, the Board shall
16 apply the overpayment to future payments required under this
17 Section.

18 For purposes of this subsection (a-15):

19 "Act of God" means an incident caused by the operation of
20 an extraordinary force that cannot be foreseen, that cannot be
21 avoided by the exercise of due care, and for which no person
22 can be held liable.

23 "Base amount" means the following:

24 For a riverboat in Alton, \$31,000,000.

25 For a riverboat in East Peoria, \$43,000,000.

26 For the Empress riverboat in Joliet, \$86,000,000.

27 For a riverboat in Metropolis, \$45,000,000.

28 For the Harrah's riverboat in Joliet, \$114,000,000.

29 For a riverboat in Aurora, \$86,000,000.

30 For a riverboat in East St. Louis, \$48,500,000.

31 For a riverboat in Elgin, \$198,000,000.

32 "Dormant license" has the meaning ascribed to it in
33 subsection (a-3).

34 (b) Until January 1, 1998, 25% of the tax revenue deposited
35 in the State Gaming Fund under this Section shall be paid,
36 subject to appropriation by the General Assembly, to the unit

1 of local government which is designated as the home dock of the
2 riverboat. Beginning January 1, 1998, from the tax revenue
3 deposited in the State Gaming Fund under this Section, an
4 amount equal to 5% of adjusted gross receipts generated by a
5 riverboat shall be paid monthly, subject to appropriation by
6 the General Assembly, to the unit of local government that is
7 designated as the home dock of the riverboat. From the tax
8 revenue deposited in the State Gaming Fund pursuant to
9 riverboat gambling operations conducted by a licensed manager
10 on behalf of the State, an amount equal to 5% of adjusted gross
11 receipts generated pursuant to those riverboat gambling
12 operations shall be paid monthly, subject to appropriation by
13 the General Assembly, to the unit of local government that is
14 designated as the home dock of the riverboat upon which those
15 riverboat gambling operations are conducted.

16 (c) Appropriations, as approved by the General Assembly,
17 may be made from the State Gaming Fund to the Department of
18 Revenue and the Department of State Police for the
19 administration and enforcement of this Act, or to the
20 Department of Human Services for the administration of programs
21 to treat problem gambling.

22 (c-5) After the payments required under subsections (b) and
23 (c) have been made, an amount equal to 15% of the adjusted
24 gross receipts of (1) an owners licensee that relocates
25 pursuant to Section 11.2, (2) an owners licensee ~~license~~
26 conducting riverboat gambling operations pursuant to an owners
27 license that is initially issued after June 25, 1999, or (3)
28 the first riverboat gambling operations conducted by a licensed
29 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
30 comes first, shall be paid from the State Gaming Fund into the
31 Horse Racing Equity Fund.

32 (c-10) Each year the General Assembly shall appropriate
33 from the General Revenue Fund to the Education Assistance Fund
34 an amount equal to the amount paid into the Horse Racing Equity
35 Fund pursuant to subsection (c-5) in the prior calendar year.

36 (c-15) After the payments required under subsections (b),

1 (c), and (c-5) have been made, an amount equal to 2% of the
2 adjusted gross receipts of (1) an owners licensee that
3 relocates pursuant to Section 11.2, (2) an owners licensee
4 conducting riverboat gambling operations pursuant to an owners
5 license that is initially issued after June 25, 1999, or (3)
6 the first riverboat gambling operations conducted by a licensed
7 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
8 comes first, shall be paid, subject to appropriation from the
9 General Assembly, from the State Gaming Fund to each home rule
10 county with a population of over 3,000,000 inhabitants for the
11 purpose of enhancing the county's criminal justice system.

12 (c-20) Each year the General Assembly shall appropriate
13 from the General Revenue Fund to the Education Assistance Fund
14 an amount equal to the amount paid to each home rule county
15 with a population of over 3,000,000 inhabitants pursuant to
16 subsection (c-15) in the prior calendar year.

17 (c-25) After the payments required under subsections (b),
18 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
19 the adjusted gross receipts of (1) an owners licensee ~~license~~
20 that relocates pursuant to Section 11.2, (2) an owners licensee
21 ~~license~~ conducting riverboat gambling operations pursuant to
22 an owners license that is initially issued after June 25, 1999,
23 or (3) the first riverboat gambling operations conducted by a
24 licensed manager on behalf of the State under Section 7.3 ~~7.2~~,
25 whichever comes first, shall be paid from the State Gaming Fund
26 to Chicago State University.

27 (d) From time to time, the Board shall transfer the
28 remainder of the funds generated by this Act into the Education
29 Assistance Fund, created by Public Act 86-0018, of the State of
30 Illinois.

31 (e) Nothing in this Act shall prohibit the unit of local
32 government designated as the home dock of the riverboat from
33 entering into agreements with other units of local government
34 in this State or in other states to share its portion of the
35 tax revenue.

36 (f) To the extent practicable, the Board shall administer

1 and collect the wagering taxes imposed by this Section in a
2 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
3 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
4 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
5 Penalty and Interest Act.

6 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
7 eff. 6-20-03; revised 1-28-04.)

8 Section 97. Severability. The provisions of this Act are
9 severable under Section 1.31 of the Statute on Statutes.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.